

# **SUBMITTER COVER LETTER AND OTHER SUMMARY DOCUMENTATION**

NOTE: THIS DOCUMENT IS INTENDED TO BE USED AS A SAMPLE, EACH STATE HAS UNIQUE FORMS. THE MORE INFORMATION THAT IS INCLUDED IN THE SUBMITTER LETTER RATHER THAN SIMPLY REFERENCED TO THE ATTACHMENTS, THE QUICKER THE PROPOSAL CAN BE REVIEWED. **THE INTENT OF THIS SAMPLE DOCUMENT IS TO AID SUBMITTERS IN ORGANIZING THE INFORMATION THAT IS TYPICALLY SENT TO CMS WITH THEIR SET-ASIDE PROPOSALS. IT IS NOT THE INTENT OF CMS TO MAKE OR CHANGE POLICY BY PUBLISHING THIS SAMPLE DOCUMENT.**

**MSA Consultants, LLC**  
**100 Correct Lane, Suite 300**  
**City, State 11111-2222**  
**Phone: (410) 555-1111, Fax: (240) 555-0000**  
**E-mail: perfectmsaproposal@hmc.com**

March 15, 2006

CMS  
Coordination of Benefits Contractor  
Attn: WCMSA Proposal  
P.O. Box 660  
New York, NY 10274-0660

Re: Claimant: Wendy Storm  
100 Careful Lane  
City, State 22222-1111  
Phone: (803) 555-1111, Fax: (803) 555-0000  
email: wendystorm@wcclaimant.com  
SSN: 123-45-6789  
HICN: 123-45-6789A

Dear Sir/Madam:

We represent Wendy Storm and have been asked by the parties to refer the above case to your office for review and approval of the Workers' Compensation Medicare Set-aside Arrangement ("WCMSA") outlined in the attached settlement documents. The following is the pertinent information in regard to the above-captioned claimant:

**Claimant Information:**

- A. Gender: Female
- B. Date of Birth: 12/25/1978
- C. Proposed Settlement Date (PSD): 07/15/2006 (1)
- D. Age at PSD: 28
- E. Median Rated Age: 47 (2)
- F. Life Expectancy: 35 (3)

***(1) The proposed settlement date (PSD):***

*If the case has already settled, please provide the settlement date. Also, if there is a proposed settlement date in the future, please provide that date. Otherwise, if the settlement date is unknown, CMS will default to four months from the date of submission for the PSD.*

- (2) *The median (not mean) rated age shall be used where more than one rated age is obtained. The median is the value at the center of an ordered range of numbers. (E.g., 47 is the median where the values are 42, 45, 47, 62, and 67.) If there is an even number of values, the median is the average of the two middle values. Where there is an even number of rated ages, compute the median to one decimal, then drop the decimal, i.e., do not round. (E.g., 50.9 becomes 50, because the life expectancy will be computed using the table for someone who is 50 but not yet 51.) All rated age sources shall be independent of the submitter and carrier and proof of all rated ages shall be included in the WCMSA proposal, i.e., name and phone number of source on insurance company or settlement broker letterhead. (See examples following.)*
- (3) *Life expectancy is computed using 2001 CDC table 2 or 3, based on the higher of the age or rated age, then rounded to the nearest whole number. On July 1<sup>st</sup> of each subsequent year, the updated tables for the following year should be used, e.g., as of July 1, 2006, submissions should be based on the 2003 CDC tables. These tables can be found at: <http://www.cdc.gov/nchs/products/pubs/pubd/lftbls/life/1966.htm>*

**Entitlement Information:**

(X) Claimant is entitled to Medicare Part A    X  
Part B    X

If above box is not checked, claimant believes he/she will be entitled to Medicare within 30 months of the proposed settlement date (defined above) because:

- ( ) Claimant has applied for Social Security Disability Benefits  
( ) Claimant has been denied SSDB but anticipates an appeal  
( ) Claimant is in the process of appealing and/or re-filing for SSDB  
( ) Claimant is (or will be) at least 62 years and 6 months old 120 days from today  
( ) Claimant has End Stage Renal Disease (ESRD) but does not yet qualify for Medicare based on ESRD  
( ) Other: \_\_\_\_\_

**Injury Information**

A. Description of injury: Toy robot fell on claimant's right foot

B. Date of Injury: 12/31/1997  
(oldest if more than 1)

C. ICD-9 Diagnosis Codes and Descriptions (up to five, in order of priority)

825.30 Compound fracture of right foot

728.71 Plantar fasciitis

311 Depressive disorder

300.00 Anxiety disorder

**Release Attached:** Yes (required)

**MSA Administrator:** Claimant **X**

SSA Representative Payee \_\_\_\_, or

Professional Payment, LLC  
100 Payment Way  
City, State 33333-2222  
Phone: (985) 555-1111, Fax: (985) 555-0000  
E-mail: [keepitstraightforyou@ppllc.com](mailto:keepitstraightforyou@ppllc.com)

**Claimant's Attorney:**

Legal Eagle, Esquire  
Legal Law Way  
City, State 33333-4444  
Phone: (800) 555-1111, Fax: (800) 555-0000  
E-mail: [legaleagle@lawway.com](mailto:legaleagle@lawway.com)

**Employer:**

Cool Toys Manufacturing, Inc.  
22 Playful Lane  
City, State 55555-2222  
Phone: (212) 555-1111, Fax: (212) 555-0000  
E-mail: [coolplaytime@toysforfun.com](mailto:coolplaytime@toysforfun.com)

**Employer Attorney:**

The same information as displayed in claimant's attorney field is required if employer's attorney is the submitter.

**WC Insurance Carrier:**

Got U Covered, LLC  
100 Carrier Blvd.  
City, State 66666-3333  
Phone: (412) 555-1111, Fax: (412) 555-0000  
E-mail: [Uarecovered@blanket.com](mailto:Uarecovered@blanket.com)

**WC Insurance Carrier Attorney:**

The same information as displayed in claimant's attorney field is required if WC insurance carrier's attorney is the submitter.

**State of Jurisdiction/Venue:**

This is the State where the workers' compensation hearing will be held.

**Total WC Settlement Amount:**

\$1,530,684.05, including but not limited to, wages, attorney fees, all future medical and prescription drug expenses, repayment of any Medicare conditional payments, and any previously settled portion of the WC case. Please note: payout totals for all annuities to fund the above expenses should be provided rather than cost or present values of any annuities.

**Type of Settlement:**

☐ Lump Sum  
☒ Structured

**Proposed Medicare Set-aside Amount, exclusive of all administrative fees:**

\$ 174,775.81 Total Proposed MSA Amount

\$74,775.81 Proposed amount for future medical treatment

\$100,000.00 Proposed amount for future prescription drug treatment

**Future Medical Treatment Calculation Method:**

☒ WC fee schedule

☐ Full actual charges

**Future Prescription Drug Treatment calculation method:**

☐ Average Wholesale Price

☒ Actual Charges

☐ WC Fee Schedule

☐ Other (please specify)

(If you are proposing a lump sum MSA, stop here and go to MSA calculation method)

**For a Structured MSA, please specify the seed money (i.e., initial deposit) and the annuity payout over life expectancy as follows:**

- 20,240.03 Seed money or initial deposit (if annuity) (4)  
\$ 154,535.78 Annuity **payout** over life expectancy remaining at annuity starting date (assumed to be one year from the PSD)

Proposed settlement date: 07/15/2006 (repeat from page 1)

Life expectancy: 35 (repeat from page 1)

Annuity starting date: 07/15/2007 (assumed to be one year from PSD)

Length of annuity: \_\_\_\_ Life (treated same as life expectancy minus one year)

34 Fixed years (provide number)

Annual amount: \$4,537.07 ( = 154,260.31 / 34 years)

(4) *The seed money for the WCMSA shall include an amount equal to the cost of the first surgery procedure and/or replacement, and two years of the remainder of the set-aside. See example below:*

*Step 1 – Total estimated future medical services and future prescription drug expenses covered by Medicare* \$174,775.81

*Step 2 - Identify cost of first surgery procedure/replacement* \$10,874.23

*Step 3 – Subtract Step 2 from Step 1* \$163,901.58

*Step 4 - Divide above by life expectancy (35) to get annual Medical and prescription drug costs and multiply the amount by two.* \$9,365.80  
 $(\$163,901.58/35) = \$4,682.90 \times 2 = \$9,365.80$

*Step 5 – Seed money to be deposited upon settlement is equal to the sum of the amounts calculated in Steps 2 and 4 above.* \$20,240.03  
 $(10,874.23 + 9365.80)$

*Step 6 – Subtract seed money from total WCMSA (Step 1) and divide by life expectancy minus one (35-1) to calculate minimum annual deposit for the balance of claimant's life. Deposit must be made no later than one (1) year from date of settlement.* \$4,545.17  
 $(174,775.81 - 20,240.03/34)$

**Calculation of MSA figures:**

<b>Service</b>	<b>Frequency</b>	<b>Every x years</b>	<b># of years</b>	<b>Price per service</b>	<b>Total</b>
<b>Periodic Items and Services</b>					
<i>Physical therapy</i>	30.00	3.00	35.0	\$76.50	\$26,775.00
<i>Laboratory</i>	3.00	1.00	35.0	\$125.00	\$13,125.00
<i>Physiatrist</i>	1.00	1.00	35.0	\$120.00	\$4,200.00
<i>Podiatrist</i>	1.00	1.00	35.0	\$140.00	\$4,900.00
<i>Doppler ultrasound</i>	4.00	35.00	35.0	\$164.00	\$656.00
<i>Psychologist</i>	24.00	1.00	6.0	\$180.00	\$25,920.00
<i>Psychiatrist</i>	4.00	1.00	3.0	\$180.00	\$2,160.00
<i>X-ray foot</i>	4.00	10.00	35.0	\$120.00	\$1,680.00
<i>Electro convulsive therapy</i>	3.00	1.00	3.0	\$5,900.00	\$53,100.00
<i>X-ray head</i>	1.00	5.00	35.0	\$120.00	\$840.00
<i>Foot treatments</i>	1.00	5.00	35.0	\$980.00	\$6,860.00
<b>Sub Total</b>					\$140,216.00
<b>Surgeries, Replacements, and Procedures</b>					
<i>Replacement foot including physician fee, anesthesia, and hospitalization</i>	1.00	10.00	35.0	\$8,874.23	\$31,059.81
<i>Foot surgery</i>	1.00	20.00	35.0	\$2,000.00	\$3,500.00
<b>Sub Total</b>				\$10,874.23	\$34,559.81
<b>Total:</b>					\$174,775.81

**Examples of Surgical Procedures and/or Replacements**

**Surgical Procedures**

**Replacements**

Back Surgery

SCS Battery Replacement

Rotator Cuff Surgery

Electric Wheelchair Replacement

Arthroscopic Surgery

Hip Replacement

Carpal Tunnel Surgery

Knee Replacement

Other Prosthesis Replacement

If you have any questions or require any additional information, please contact me at (803) 555-1111, Extension 11.

Sincerely,

Ima Friend

Ima Friend  
Benefit Coordination Specialist



# CONSENT FORM

**(The attached example is not a required format, it is only an example of an acceptable form)**

## CONSENT TO RELEASE FORM

The Privacy Act of 1974 (Public Law 93-579) prohibits the government from revealing information from personal files without the express written permission of the person involved. Disclosure of personal records to an attorney or other representative who is acting on behalf of another person is prohibited, unless the individual to whom the record pertains has consented.

I, Wendy Storm, hereby authorize the Centers for Medicare & Medicaid Services (CMS), its agents and/or contractors to disclose, discuss, and/or release, orally or in writing, information related to my worker's compensation injury and/or settlement to the individual(s) and/or firm(s) listed below. This consent is for my current workers' compensation claim and is on an ongoing basis. An additional consent to release form will not be necessary unless or until I revoke this authorization (which must be in writing).

PLEASE CHECK:

(X) Claimant's attorney

Legal Eagle, Esquire  
(name and/or firm)

(X) Employer's attorney

Dennis Defender, Esquire  
(name and/or firm)

(X) Workers' compensation carrier

Got U Covered  
(name and/or firm)

( ) Other

\_\_\_\_\_  
(name and/or firm)

/s/ Wendy Storm  
Claimant's Signature

10/18/2005  
Date Signed

12/31/1997  
Date of Injury

123-45-6789A  
Social Security Number Or Health Insurance Claim Number

# **RATED AGE INFORMATION or LIFE EXPECTANCY**

**(Proof of all rated ages obtained on the case should be on documents independent (no relationship) of the submitter or carrier, and on insurance company or settlement broker letterhead).**

**If there is no information on rated age(s), the review will be based on the CDC tables referenced in the submitter cover letter.**

**PREMIUM INSURANCE COMPANY**  
**100 Ageless Lane**  
**CITY, STATE 22222-4444**  
**Phone: (302) 555-1111, Fax: (302) 555-0000**  
**E-mail: iamins@pic.com**

February 5, 2006

Life expectancy calculation for the following claimant:

Wendy Storm  
100 Careful Lane  
City, State 22222-1111  
Phone: (410) 555-8989, Fax: (410) 555-4545  
E-mail: stormywind@lil.com  
SSN : 123-45-6789  
HICN : 123-45-6789A  
DOB : 12/25/1978  
DOI : 12/31/1997

Actual Age: 27

Rated Age: 47 (Expires in 1 Year)

**Note: Several rated ages obtained in the above manner may be included with the submission and presented in a chart format as shown below:**

**Workers' Compensation Settlement Broker, LLC**  
**200 Sunny Lane**  
**CITY, STATE 33333-5555**  
**Phone: (804) 555-1111, Fax: (804) 555-0000**  
**E-mail: sunny@msa.com**

File Name: Wendy Storm File No.: 00WS458231 DOB: 12/25/1978 Age: 27

Ratings Used:

<b>Date Sent</b>	<b>Life Co. Fax Number</b>	<b>Contact &amp; Phone Number</b>	<b>Date Received</b>	<b>Rated Age</b>	<b>Expires In</b>
2/11/05	Best Life Ins. (410) 222-0000	Ruff Dogg (410) 555-9999	2/12/05	44	1 Year
2/11/05	Live Better, Inc. (410) 333-0000	Doris Day (410) 555-8888	2/12/05	46	1 Year
2/11/05	Premium Insurance Co. (410) 777-0000	Fay Ray (410) 555-0000	2/12/05	47	1 Year
2/11/05	Lively Life, Inc. (410) 444-0000	Connie Can (410) 555-1111	2/12/05	48	1 Year
2/11/05	Jumpstart Life, Inc. (410) 555-0000	Jack Jump (410) 555-7777	2/12/05	49	1 Year

**NOTE: The above formats are the only acceptable formats. CMS will only accept rated ages presented on a settlement broker or insurer letterhead, and only rated ages independent (no relationship) of the submitter and carrier.**

# Life Care Plan

**Note: A life care plan is not required on all WCMSAs. It is appropriate to include one when the claimant's injury/disease is extensive/serious, e.g., paraplegia, quadriplegia, brain damage, etc.**

Client: Wendy Storm Date prepared: 02/18/2006

Prepared by: Rita Reviewer, RN, CCM

DOB: December 25, 1978 DOI: 12/31/1997

Diagnoses

825.30 Compound fracture of right foot

728.71 Plantar fasciitis

311 Depressed

300.00 Anxiety disorder

Life expectancy: 35 years Costs based on year: 2005

Life Care Plan  
Future Medical Care – Medicare Covered Items and Services

Service	Frequency	Every x years	# of years	Price per service	Total
<b>Periodic Items and Services</b>					
<i>Physical therapy</i>	30.00	3.00	35.0	\$76.50	\$26,775.00
<i>Laboratory</i>	3.00	1.00	35.0	\$125.00	\$13,125.00
<i>Physiatrist</i>	1.00	1.00	35.0	\$120.00	\$4,200.00
<i>Podiatrist</i>	1.00	1.00	35.0	\$140.00	\$4,900.00
<i>Doppler ultrasound</i>	4.00	35.00	35.0	\$164.00	\$656.00
<i>Psychologist</i>	24.00	1.00	6.0	\$180.00	\$25,920.00
<i>Psychiatrist</i>	4.00	1.00	3.0	\$180.00	\$2,160.00
<i>X-ray foot</i>	4.00	10.00	35.0	\$120.00	\$1,680.00
<i>Electro convulsive therapy</i>	3.00	1.00	3.0	\$5,900.00	\$53,100.00
<i>X-ray head</i>	1.00	5.00	35.0	\$120.00	\$840.00
<i>Foot treatments</i>	1.00	5.00	35.0	\$980.00	\$6,860.00
<b>Sub Total</b>					\$140,216.00
<b>Surgeries, Replacements, and Procedures</b>					
<i>Replacement foot including physician fee, anesthesia, and hospitalization</i>	1.00	10.00	35.0	\$8,874.23	\$31,059.81
<i>Foot surgery</i>	1.00	20.00	35.0	\$2,000.00	\$3,500.00
<b>Sub Total</b>				\$10,874.23	\$34,559.81
<b>Total:</b>					\$174,775.81

CREATELIFEPLAN, LLC  
100 Easylife Way  
City, State, 22222  
Phone: (888) 555-1111 Fax: (888) 555-0000  
E-mail: jbc@create.com

# Settlement Agreement

# or Proposed Court Order

(The attached is only an example. Each state has its own format.)

## BEFORE THE COURT COMMISSION STATE OF \_\_\_\_\_

Commission File: 000000

Wendy Storm  
(Hereinafter called "Employee")

vs.

Cool Toys Manufacturing  
(Hereinafter called "Employer")

Got U Covered  
(Hereinafter called "Insurer")

### \*\*\*AGREEMENT OF FINAL SETTLEMENT AND RELEASE\*\*\*

THIS AGREEMENT OF FINAL SETTLEMENT AND RELEASE was made and entered into on the \_\_\_\_ day of \_\_\_\_\_ by and between Employee, Employer, and Insurer.

### I

**(This is intended only as sample language)**

The Employee, Wendy Storm, for consideration of the sum of \$1,530,684.05, paid by or on behalf of the above captioned Employer/Carrier/TPA, shall release Employer/Carrier/TPA, from its



obligation or liability to pay all benefits of whatever kind or classification available under the \_\_\_\_\_ State Workers' Compensation Law on account of the above captioned manufacturing accident and any other known or unknown (discussed below) work related injury that the Claimant may have sustained while employed by the Employer and/or their successors, assigns, interests, officers, directors, employees, agents, shareholders or any other person or entity who may be responsible or liable for actions of the Employer.

## **II**

### **(This is intended only as sample language)**

Claimant represents and affirms that all accidents, injuries, and occupational diseases known to have occurred or have been sustained while employed by the Employer have been revealed but in any event, this Settlement Agreement and release releases the Employer/Carrier/TPA from all Workers' Compensation liability and as such, Claimant bears the risk of arguably related conditions not yet manifested. It is the intention of the parties to resolve all claims actual or potential for any and all accidents and/or injuries, arising out of and in the course and scope of employment, in exchange for the monetary consideration outlined herein.

## **III**

### **(This is intended only as sample language)**

The Claimant specifically acknowledges that on finality of this Settlement Agreement and release, rights to all future medical care and treatment and/or prescription drug treatment related or arguably related to the workers' compensation claim, whether remedial or palliative in nature, are forever and fully relinquished whether or not the Claimant's condition has been brought to a state of maximum medical improvement and regardless of whether the Claimant's condition(s) improves or seriously deteriorates for any reason whatsoever. On finality of this Settlement Agreement and Release, except as specifically provided and limited below, the Employer/Carrier/TPA shall not be responsible for either the provision or payment of any medical benefits. Any future medical care treatment or expense, including prescription drug expenses, that may arise in the future, regardless of the cause thereof, will be the responsibility of the Claimant. Claimant understands only authorized medical providers will be paid for authorized services rendered prior to the finality of this Settlement Agreement and Release. Any medical bills from authorized providers for authorized services rendered to the finality of this Settlement Agreement and Release shall be submitted for payment by the Employer/Carrier/TPA. All medical bills from unauthorized providers are the responsibility of the Claimant, not the Employer/Carrier/TPA. Medical bills from authorized providers for services rendered after the date of finality become the responsibility of the Claimant.

## **IV**

### **(This is intended only as sample language)**

The Medicare Set Aside funds in this case are to be self administered by the claimant. Claimant has been provided directives issued by CMS regarding her rights and responsibilities in this regard. Claimant understands that the MSA funds must be placed in an interest bearing account, and this account must be separate from the individual's personal savings and checking accounts. The funds in this account may only be used for payment of medical services and/or prescription drug expenses related to the work injury that would normally be paid by Medicare.

It is not the intention of the Workers' Compensation Carrier to shift responsibility of future medical benefits to the Federal government. The sum of \$174,775.81 for future Medicare-covered medical and/or prescription drug expenses is intended directly for payment of these expenses. Upon proof that Medicare-covered medical and/or prescription drug expenses exceed \$174,775.81, those expenses will be forwarded to Medicare for payment of covered expenses with proper documentation. It is the responsibility of the claimant/beneficiary to maintain records, including

bills for services and prescription drug expenses Medicare would normally cover, related to the work-related injury or illness totaling the amount of \$174,775.81 before Medicare will make payment on any covered expenses related to the work injury or illness. In order for Medicare to make payment with regard to prescription drug expenses, the claimant/beneficiary must be enrolled in a Part D plan and not have any other coverage primary to Medicare.

This allocation is based on the workers' compensation fee schedule. The injured worker should be advised that they should make their best effort to obtain services from providers that accept this fee schedule.

## **V**

### **(This is intended only as sample language)**

Claimant and her family agree not to discuss the existence of this settlement or any of the terms to any persons in the employment of Cool Toys Manufacturing, Inc. or any former employees of Cool Toys manufacturing. The Claimant specifically agrees to keep the existence of and the terms of this settlement strictly confidential.

## **VI**

### **(This is intended only as sample language)**

The Employee accepts the following settlement as full and final compensation from her former employer:

Total WC Settlement Amount: \$1,530,684.05 broken down as follows:

\$ 1,000,000.00 Cash to claimant  
\$ 300,000.00 Cash attorney fee  
\$ 55,908.24 Non-Medicare medical annuity payout (\$1,597.38/year for life, life expectancy 35 years, starting 07/15/2005)  
\$ 20,240.03 MSA initial deposit (seed money), includes 1<sup>st</sup> surgery and 1 procedure/replacement and 2 years of remaining medical services.  
\$ + 154,535.78 MSA annuity payout (\$4,545.17/year for remaining life, 34 years, starting 07/15/2006)  
\$ 1,530,684.05

In testimony whereof, the parties have hereunto set their hands and affixed their seals the day and year first above herein.

---

Employee

Consented To:

---

Legal Eagle  
Attorney for Employee  
State Bar No. 5678

---

Attorney for Employer/Carrier/TPA

\_\_\_\_\_  
NOTARY PUBLIC, State of \_\_\_\_\_  
My Commission Expires: March 10, 2008  
\_\_\_\_ The Employee is personally known to me  
X Has produced ID: Valid driver's license

# **SET-ASIDE ADMINISTRATOR/COPY OF AGREEMENT**

**(The attached is an example for a self-administered WCMSA, there are different criteria  
for a professionally-administered WCMSA)**

## **TERMS AND CONDITIONS FOR BENEFICIARY ADMINISTERED WORKERS' COMPENSATION MEDICARE SET-ASIDE ARRANGEMENT (WCMSA)**

Medicare Beneficiary: Wendy Storm  
HICN: 123-45-6789A  
DOI: 12/31/1997  
Employer: Cool Toys Manufacturing, Inc.

Medicare regulations, as found in Title 42 of the Code of Federal Regulations § 411.46, state that Medicare will not pay for Medicare-covered medical expenses or Medicare-covered prescription drugs expenses related to your work-related injury until the WCMSA funds have been exhausted. Your WCMSA funds must be used to pay for all Medicare-covered medical services and Medicare-covered prescription drug expenses related to the workers' compensation injury, illness, or disease. A CMS lead Medicare contractor will monitor your expenditures from the WCMSA account upon receipt of the annual self-attestation letter that you are required to submit. Once the lead contractor has confirmed that the WCMSA funds have been exhausted appropriately, Medicare will begin paying for Medicare-covered services related to the workers' compensation injury, illness, or disease.

The terms and conditions for establishing and administering a WCMSA account are listed below. If you have any questions regarding these requirements, please contact the CMS lead Medicare contractor at the following address.

[insert] **CONTRACTOR NAME**  
**ADDRESS**

Attention: MSP – Medicare Set-aside Reconciliation

### **Establishing and Using your Medicare Set-Aside Account**

- WCMSA funds must be placed in an interest-bearing account, separate from your personal savings or checking account.
- WCMSA funds may only be used to pay for medical services and prescription drug expenses related to your work injury that would normally be paid by Medicare.
- Examples of some items that Medicare **does not** pay for are: acupuncture, routine dental care, eyeglasses or hearing aids, etc.; therefore, these items cannot be paid from the WCMSA account. You may obtain a copy of the booklet "Medicare & You" from your Social Security office for a more extensive list of services not covered by Medicare.
- If you have a question regarding Medicare's coverage of a specific item, service, or prescription drug, to determine if you may pay for it from the WCMSA account, please call 1-800-MEDICARE (1-800-633-4227) or search the following CMS websites:

[www.medicare.gov](http://www.medicare.gov)  
[www.cms.hhs.gov/home/medicare.asp](http://www.cms.hhs.gov/home/medicare.asp)

*Please note: If payments from the WCMSA account are used to pay for services other than Medicare allowable medical expenses related to medically necessary services and prescription*

*drug expenses, Medicare will not pay injury related claims until these funds are restored to the WCMSA account and then properly exhausted.*

## **Record Keeping**

- As administrator of the account, you will be responsible for keeping accurate records of payments made from the account. These records may be requested by CMS' lead Medicare contractor as proof of appropriate payments from the WCMSA account.
- You may use the WCMSA account to pay for the following costs that are directly related to the account:

Document copying charges

Mailing fees/postage

Any banking fees related to the account

Income tax on interest income from the set-aside account

- Annually, you must sign and forward a copy of the attached self-attestation form, which states that payments from the WCMSA account were made for Medicare-covered medical expenses and Medicare-covered prescription drug expenses related to the work-related injury, illness, or disease.
- An annual accounting shall be submitted to the Medicare lead contractor listed on Page 1 of this instruction no later than 30 days after the end of each anniversary year (beginning with one year from the date of settlement).
- The annual self-attestation should continue through depletion of the WCMSA account.
- **DO NOT SEND YOUR ANNUAL ACCOUNTING TO CMS.**

I, Wendy Storm, have read and understood the above-listed terms and conditions. I agree to abide by these terms and conditions in order to protect my ability to obtain Medicare coverage for my work-related injury medical and/or prescription drug expenses once the Workers' Compensation Medicare Set-aside Arrangement (WCMSA) account is depleted. I understand that if I fail to abide by the above listed terms and conditions, I may not be eligible for Medicare coverage for my work-related injury medical expenses.

/s/ Wendy Storm

Wendy Storm

Claimant

3/01/2006

Date

I, Legal Eagle, counsel for Wendy Storm, have reviewed the above agreement with the Claimant and have explained it, in detail. I believe that Ms. Storm fully understands the complete contents of the

document and the duties she is undertaking to administer her WCMSA.

/s/ Legal Eagle  
Legal Eagle  
Counsel for Wendy Storm

03/01/2006  
Date

# Medical Records

Doc Holliday  
100 OK Corral Lane  
City, State 77777-2222  
Phone: (410) 555-1111, Fax: (410) 555-0000  
E-mail: doc@okcorral.com

February 1, 2006

Ima Friend  
Benefit Coordination Specialist  
MSA Consultants, LLC  
100 Correct Lane, Suite 300  
City, State 11111-2222

RE: Wendy Storm  
DOI: 12/31/1997

Dear Ima:

Pursuant to your request for a report regarding Ms. Wendy Storm's medical treatment, please find same below in the format you indicated.

Current Treatment Status (including past medical treatment):

I have been Ms. Storm's primary care physician for the past twelve years. Ms. Storm is a 28 year old white female with a prosthetic right foot. She sustained an injury at her place of employment on 12/31/1997, resulting in a fracture to the right foot. Subsequently, the foot became severely infected causing the need for amputation and replacement with a prosthetic foot. The incident occurred while Ms. Storm was working on a remote control robot for Cool Toys Manufacturing, Inc. The robot fell from a worktable and landed on her right foot, causing her to fall backward, landing on her head. She was transported via ambulance to the nearest hospital.

Upon initial examination, there appeared to be no apparent trauma to Ms. Storm's head. A series of x-rays indicated a compound fracture to the right foot, along with pieces of metal from the robot imbedded in the foot, causing infection. She did not respond to aggressive antibiotic treatment and amputation of the foot was indicated. A surgical team led by an orthopedic specialist performed the procedure and replaced the damaged foot with a prosthetic device. Post surgery, she was discharged to home, with an order for home health assistance five times a week and an appointment for follow-up evaluation in six weeks.

During this recuperative period, the home health staff notified me that Ms. Storm was beginning to exhibit some unusual behavior. I made a home visit to see her and immediately noticed that she showed signs of depression and anxiety. I referred her to Dr. Head for a psychiatric evaluation. He diagnosed her with severe depression and anxiety, along with mild to moderate paranoia. He prescribed moderate doses of psychotropic medications including Xanax and Zoloft and recommended electro-convulsive therapy for the depression.

From 1998 to the present, she continues to see Dr. Head for medication monitoring and a psychologist in his group for individual therapy. She recently began participating in group therapy with other individuals injured at the workplace and unable to return to work or sustain gainful employment.



Past Medical Treatment Unrelated to WC Injury/Co-Morbid Conditions:

Ms. Storm's past medical history was positive for smoking. She also has a family history (paternal grandmother) of Adult-onset Type II Diabetes.

Future Treatment (for Medicare covered items and services for the WC injury only):

Future treatment should include physiatrist visits with her primary care physician, physical therapy treatments, podiatrist visits for foot evaluation, x-rays of foot and head and periodic prosthetic foot replacements and adjustments. Ms. Storm should also continue with the mental health services and associated treatments, medications and lab work indicated in her life care plan.

If there are any further questions, please do not hesitate to contact me.

Sincerely, yours,

Doc Holiday, M.D.  
Doc Holiday, M.D.

cc: Virgil Earp, RN

**NOTE: PLEASE SUBMIT ALL ACTUAL MEDICAL RECORDS FOR THE  
LAST TWO YEARS IN ADDITION TO TREATING PHYSICIAN'S  
SUMMARY. IT IS RECOMMENDED THAT MEDICAL RECORDS BE  
SORTED BY PROVIDER OR BY CALENDAR YEAR.**

# PAYMENT HISTORY

(Include claims payment history for medical and  
indemnity payments for the last 2 years)

Detail Claim Activity 11/01/05

Claim Number: 00DC4563210DC

Coverage Type: Indemnity

Deductible: None

Employee:

Wendy Storm  
123-45-6789  
100 Carefree Lane  
City, State 22222-1111

Insured Company

Cool Toys Manufacturing, Inc.  
22 Playful Lane  
City, State 55555-2222

Account # 00912345

Policy # 00ACDR

Employer Tax ID# 7776655

Date/Time of Loss: 12/31/1997

Date First Report Entered: 01/04/1998

Adjuster: 007 / James Bond

Agent: 086 / Maxwell Smart

Injury Code: 28 / Fracture

A.I. Loss Code: 0731 / Work Station

Catastrophe ID: NCCI Accident Code: 47 / falling object

Supervisor

Job Class: 2274 /

Injury/Acc Desc: Fracture/Rt foot, Depression

Open: 01/04/1998 Subro: N 2<sup>nd</sup> Inj: N Med Open: N Employed: 01/01/1997 DOB: 12/25/1978

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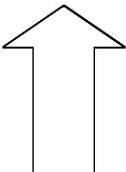
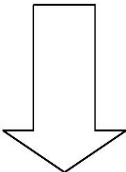
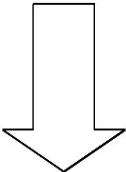
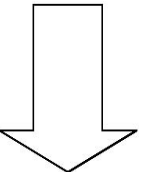
**Payments (All)**

Date	Type	Check #	Amount	Payee		Period/Service Date
02/04/2005	Indemnity	0001112255	\$ 623.00	01	Wendy Storm	02/03/05-02/03/05
01/04/2005	Indemnity	0001112255	\$ 623.00	01	Wendy Storm	01/03/05-01/03/05
12/04/2004	Indemnity	0001112255	\$ 623.00	01	Wendy Storm	12/03/04-12/03/04
11/04/2004	Indemnity	0001112254	\$ 623.00	01	Wendy Storm	11/03/04-11/03/04
10/31/2004	Medical	0001112233	\$ 230.00	41	Clinicure, Inc.	10/15/04-10/15/04
10/31/2004	Medical	0001112234	\$ 330.00	41	Clinicare, Inc.	10/05/04-10/05/04
10/3120/04	Medical	0001112236	\$ 101.00	41	Clinicare, Inc.	09/06/04-09/06/04
10/04/2004	Indemnity	0001112253	\$ 623.00	01	Wendy Storm	10/03/04-10/03/04
09/04/2004	Indemnity	0001112237	\$ 623.00	01	Wendy Storm	08/12/04-08/12/04
08/04/2004	Indemnity	0001112252	\$ 623.00	01	Wendy Storm	08/03/04-08/03/04
07/10/2004	Medical	0001112238	\$ 462.20	41	Clinicare, Inc.	06/12/04-06/12/04
07/04/2004	Indemnity	0001112251	\$ 623.00	01	Wendy Storm	07/03/04-07/03/04

**SAMPLE**

06/10/2004	Medical	0001112239	\$1,200.00	41	Clinicare, Inc.	05/12/04-05/12/04
06/04/2004	Indemnity	0001112250	\$ 623.00	01	Wendy Storm	06/03/04-06/03/04
05/10/2004	Medical	0001112240	\$1,200.00	41	Clinicare, Inc.	04/10/04-04/10/04
05/04/2004	Indemnity	0001112249	\$ 623.00	01	Wendy Storm	05/03/04-05/03/04
04/04/2004	Indemnity	0001112241	\$ 623.00	01	Wendy Storm	04/03/04-04/03/04
03/10/2004	Medical	0001112242	\$4,200.00	41	Clinicare, Inc.	02/03/04-02/03/04
03/04/2004	Indemnity	0001112248	\$ 623.00	01	Wendy Storm	03/03/04-03/03/04
02/10/2004	Medical	0001112243	\$ 500.00	41	Clinicare, Inc.	01/04/04-01/04/04
02/04/2004	Indemnity	0001112247	\$ 623.00	01	Wendy Storm	02/03/04-02/03/04
01/10/2004	Medical	0001112244	\$ 600.00	41	Clinicare, Inc.	12/01/03-12/31/03
01/04/2004	Indemnity	0001112246	\$ 623.00	01	Wendy Storm	01/03/04-01/03/04
12/01/2003	Medical	0001112245	\$4,200.00	41	Clinicare, Inc.	02/31/03-11/30/03

## Under Threshold Criteria For Submission of a WCMSA

Over \$250,000	30 Month Expectation*	Action to be Taken
<b>YES</b>	<b>YES</b>	<b>CMS Should Review</b> 
<b>YES</b>	<b>NO</b>	<b>CMS Should NOT Review</b> 
<b>NO</b>	<b>YES</b>	<b>CMS Should NOT Review</b> 
<b>NO</b>	<b>NO</b>	<b>CMS Should NOT Review</b> 

\*Reasonable expectation of Medicare enrollment within 30 months of settlement date.

Note: The above threshold criteria are only a **review** threshold due to the high volume of cases submitted to CMS for review. Section 1862 of Social Security Act of 1966 states a Workers Compensation Case is always primary to Medicare. In addition, if the claimant is a Medicare beneficiary at the time of settlement, then CMS should review the proposed WCMSA, irrespective of the dollar amount.

Effective April 25, 2006, CMS will only review new WCMSA proposals for Medicare beneficiaries where the total settlement amount is greater than \$25,000.00. The CMS wishes to stress that this is a CMS **workload review** threshold and not a substantive dollar or “safe harbor” threshold. Medicare beneficiaries must still consider Medicare’s interests in all WC cases and ensure that Medicare is secondary to WC in such cases.

Note that the computation of the total settlement amount includes, but is not limited to, wages, attorney fees, all future medical expenses (including prescription drugs) and repayment of any Medicare conditional payments. Payout totals for all annuities to fund the above expenses should be used rather than cost or present values of any annuities. Also note that any previously settled portion of the WC claim must be included in computing the total settlement amount.

Also note that both the beneficiary and non-beneficiary review thresholds are subject to adjustment. Claimants, employers, carriers and their representatives should regularly monitor the CMS website at [www.cms.hhs.gov/WorkersCompAgencyServices](http://www.cms.hhs.gov/WorkersCompAgencyServices) for changes to these thresholds and for other changes in policies and procedures.